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By THEODORE E. BURTON

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MODERN POLITICAL TENDENCIES

AND THE EFFECT OF THE WAR THEREON

BY

THEODORE E. BURTON

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MODERN POLITICAL TENDENCIES

General Facts

Dominant political tendencies centre around four important questions of fundamental importance.

1. The relation of governments to the governed. For illustration, is the system one of autocratic or of popular rule?

2. The relation of the governed each to the other. Are there privileged classes, or is the aim to secure the greatest possible equality of rights and opportunities?

3. The relation of the central government to its constituent parts. Is there a loosely joined confederation or a strongly centralized organization? For seventy-five years this was a principal source of controversy in the United States.

4. International relations. The dividing line between the relations of the first and second classes is often a shadowy one. In recent years the question of the relation of the government to the governed has assumed greater prominence in countries of virtually autocratic rule, like Russia or Germany, while the second, that of the governed each to the other, has been more prominent in countries of liberal institutions such as the United States, Great Britain, and France. Manifestly, the fourth question, that of international relations, is now attracting much more general consideration than formerly. Shall the position of a country be one of isolation? Do its international policies look to aggression and repulsion or to goodwill and cooperation?

Political tendencies have certain well defined characteristics and have to do with an almost infinite variety of proposed changes or reforms, the agitation for which may continue for a decade, a generation, or even for a century. During these periods certain issues are constantly under discussion, such as the pow-

ers and relations of the Executive, ministerial responsibility, the functions of the legislative and judicial branches, the right of suffrage for men and women, the extent to which the State shall exercise control over the activities and conduct of its people. Of late certain social questions which are inseparably interlaced with political tendencies have attracted almost preeminent attention. In the course of time these tendencies attain their fulfilment, entire or partial, or disappear. Demands for extension of the suffrage have secured perhaps more uniform and general response than any other political movement. This has been conspicuously illustrated in England and in the United States. The right to vote when once acquired is seldom revoked or limited. The recent movement for suffrage for women attained success more rapidly than the earlier agitation for the enlargement of the privilege for men. In the midst of the longer movements which pertain to problems which are strictly of a political character, other controversies frequently arise which partially eclipse the main tenden-

cies or displace them for a time. An illustration may be found in our own country in the Prohibition movement. The constant agitation for change is prompted not merely by an earnest desire for the adoption of conceptions of right and equality which are regarded as universal in their nature, but by the necessity for new or improved political relations which shall square with constantly developing changes in social and material conditions.

Reactions against political tendencies or movements are almost sure to occur. Reformers and agitators reach the summit of their hopes, and then failing in popular support fall back and rest midway between the starting point and the goal which they sought to reach. These reactions resemble the cyclical movements so familiar in the alternate seasons of activity and depression in the commercial and financial world and in the course of prices. The alternate control of opposing political parties affords the most familiar example. In the later years of the nineteenth century the Liberal and Conservative parties in

England succeeded each other in the House of Commons practically without exception. In the election of 1868 the Liberals were successful; in that of 1874, the Conservatives; in 1880 the Liberals, who were retained in power after the election of 1885 as the result of a combination; in 1886 the Conservatives won; in 1892 the Liberals; and in 1895, the Conservatives again returned to power. The history of the United States is replete with illustrations. Beginning more than ninety years ago with the administration of John Quincy Adams, at a time when party lines began to be more sharply defined, the strength of the national administration in the House of Representatives has in every case been greater at the presidential election than in the mid-presidential election two years later. For example, Franklin Pierce was elected President in 1852 with an overwhelming majority in the House of Representatives. In the Congress chosen two years later his opponents elected the Speaker. Other notable illustrations are found in the second terms of Presidents Grant and Cleve-

land, and in the administration of President Harrison. There can be no more striking example of this tendency to reaction than that afforded by the Congressional election in November 1918. Notwithstanding the prestige of President Wilson, the anticipation of an early peace which was emphasized by the announcement of an armistice with Austria-Hungary on the day before the voters went to the polls, a favorable majority in the House of Representatives was changed to an adverse one. Practically no tariff bill has been passed for half a century without a loss of political strength to the party adopting it. A President of the United States once essayed to fix a definite period after which reactionary forces would become effective against him. He mentioned eighteen months after his inauguration. By that time the glamour of the office would have in a measure fallen off. Grievances would have accumulated; office seekers who had expected much and gained little, would be disappointed. False friends would have deserted him; and all these factors

would tend to turn the current against the head of the government.

This tendency to reaction is accepted as a phenomenon, but it has often been regarded as mysterious and the explanation has been sought by some in a study of psychology. There is, in fact, no real mystery. There are potent and ever-present causes which prevent continuous control by a political organization or the uninterrupted development of political reforms.

First, there exists in every country having popular institutions, radical and conservative types. These two extremes with varying shades of opinion, not only appear in the aggregate citizenship, but among members of political parties made up of those who are united upon certain underlying principles. Between these there is a clash of conflicting ideas causing an ebb and flow in the evolution of every political tendency. Usually an intermediate level is found to which a substantial majority will give steady adherence. Another reason for the cyclical movement is, broadly speaking,

the difference between anticipation and reality. There is always difficulty in putting abstract conceptions into the form of concrete propositions, or, to describe it otherwise, to embody theories in practice. That which may seem to hold out the hope of beneficient results, when tried proves to be altogether disappointing. Again, responsibility and the framing and operation of constructive measures impose far more serious difficulties than mere criticism or opposition. The promises of political platforms are not subject to the same limitations as the actions of those entrusted with authority. After taking into account all these facts there is the psychological effect of human fickleness which oftentimes stands in the way of the orderly accomplishment of beneficient reforms.

Liberalizing political tendencies follow, though more slowly, and sometimes quite tardily, scientific development and the diffusion of knowledge. We may instance such events as the Italian Renaissance, the discovery of America, the invention of printing, the increase of productive power by the application

of steam and by the harnessing of electricity. The effect of these discoveries and inventions in promoting a broader outlook for humanity and more liberal institutions can hardly be exaggerated. In every great epoch in which the human race has made advance in its political life, we can discover as an antecedent some forward movement in science or in knowledge. There have been numerous illustrations. If we group together the three reigns of Queen Elizabeth, James I, and Charles I, the fact is recognized that Queen Elizabeth was a most popular sovereign, though arbitrary, while King Charles I, who sought to rule with no greater degree of personal prerogative, was beheaded. To many this contrast in the attitude of the people toward the two sovereigns mentioned, seems disconnected and fortuitous, but it was really a logical sequence. The reign of Queen Elizabeth witnessed a great intellectual awakening. It was the golden age of Shakespeare and Spenser and Ben Jonson, and of Burghley, Sidney and Raleigh; the day when England

took a new position among the nations because of the triumph over the Spanish Armada. Her reign was followed by that of James I, in which an even greater contribution perhaps was made to progress in the publication by Francis Bacon of the theory of Inductive Philosophy. Science which theretofore had been sporadic in its application, sometimes a sort of plaything, became an agency for the utilization of physical forces and materials for the benefit of mankind. As a result, in the time of King Charles I, the people had a broader vision and asked more for themselves, and that their relations to the State be more clearly defined. Thus the sovereign who tried to be as arbitrary as had been the Tudor sovereign was not only dethroned but beheaded as well.

We may find in the career of Mr. Webster an illustration of this same dependency of political upon scientific progress. This statement is not intended to detract one iota from his deserved fame as a statesman or as a lawyer, but he was a mighty protagonist swimming with the tide. At the time when he de-

livered his reply to Hayne in January 1830, the country was in the midst of a remarkable era of progress. The great period of railway construction had already begun, canals had been constructed and were in operation upon an increasing scale, improvements in the printing press made the dissemination of information much wider and more general. Fourteen years later the magnetic telegraph was introduced and was destined to bring remote portions of the country nearer to each other. The result of this combination of progressive factors was that the States of the Union were brought into relations as close as had been that of the counties in the time when Jefferson was President. Improved means of communication and for the diffusion of information are a great stimulus to popular government. A democracy without ready access from one portion to another is hardly possible except over a very limited area. All these influences which were contemporaneous with Mr. Webster's career promoted unity, and but for them that splendid expression of his, "Liberty and Union

now and forever, one and inseparable," might have been the dream of an idealist.

There are manifest reasons why political progress should be slower than social or economic progress. In most of the physical sciences exact results can be reached, but government is a field in which a constantly present feature is that of experiment and trial. The power and prestige of rulers and favored classes often afford obstacles in the path of the reformer. Precedent and a natural reluctance to change always stand in the way. This is true in monarchies and republics alike. The history of England from the year 1800 to the passage of the Reform Bill of 1832, affords an excellent illustration. It was a period of unprecedented material progress in which that industrial organization was developed which established upon sure and permanent foundations the future of manufacturing and trade in England. It was, however, a period of political stagnation, though attended at the close by earnest, and, for a long time, unsuccessful agitation for reforms. The steady advance of

liberalism did not begin until the passage of the Reform Act of 1832.

Lastly, among the influences which have to do with political tendencies, war must be mentioned. Usually, wars, whether foreign or civil, are but the outcome of pent up aspirations which have been long suppressed. They may arise from conflicting claims of country or of race, and presumably are not a matter of chance; they often cause a mighty convulsion followed by political and social reorganization. It is not merely the victory of any nation or nations which creates new conditions, but the development of new conceptions and ideas which are aroused or quickened by the thrilling events of the time. There are potent reasons for such results. During the conflict every nerve is strained for victory. There is a demand for the highest possible standards of efficiency in organization and cooperation. Patriotism and a spirit of self-sacrifice are stimulated in a manner quite impossible in time of peace. In a considerable degree there is a leveling of distinctions between different

classes and ranks of society. All these factors have their effect when the conflict is over. There are new inspirations which stimulate action and are the parent of great results. It is inevitable that the more potent energies which are developed in the contest for victory should survive and show their effects in the succeeding years. Thus, many times political changes have been accomplished during and immediately after wars which would have required scores of years in time of peace.

Specific Political Tendencies

Having made these general suggestions, it is desirable to take up those tendencies which stand out most prominently, and for the adequate treatment of the subject it is necessary to consider separately those which were most apparent up to the year 1914, the date of the beginning of the world war. Among these may be mentioned:

The Growth of Popular Government

The demand for increasing participation of the individual in public affairs was in evidence the world over. The prerogatives of kings and emperors were declining and the private citizen was asserting himself. Since the beginning of this twentieth century there have been numerous illustrations of these tendencies, and in many respects the progress of liberalism was as notable in the fourteen years immediately preceding the commencement of the war as in the whole of the one hundred years up to 1900, notwithstanding the fact that the nineteenth has been aptly styled the greatest of the centuries. In Europe Portugal became a republic. The head of a prominent kingdom remarked to Ex-President Roosevelt, in earnest rather than in jest, that he intended to train his son, the Crown Prince, so that he might be fitted to become president of a republic, as he thought that form of government was sure to be adopted. In every country of Europe there

were insistent demands for ministerial responsibility where it had not existed. The Young Turks disappointed Europe and the world, but they gained power by the promise of responsible ministers and a more liberal government. The three Scandinavian countries, together with Holland and Belgium (of them all, Denmark is, perhaps, the most advanced democracy), were constantly increasing the measure of popular control and limiting the powers of their sovereigns to a mere position of formal headship. In England propositions of an almost revolutionary bent were adopted or were pending. The House of Lords was virtually shorn of its power. Demands for universal suffrage for both men and women were vigorously asserted. Measures for taxation were devised which looked to an equalization of social conditions. There was a recognition of the rights and opportunities of workingmen far in advance of previous years. In Russia the legislative body known as the Duma, was established in the year 1906, crude at first, but although granted reluctantly by the sovereign

with the apparent expectation that its powers would be nullified or minimized, it gave promise of representative institutions. Another important change was made in Russia in the same year under which the Imperial Council, formerly appointed exclusively by the sovereign, was divided into two classes of equal number, one of which was to be chosen directly or indirectly by the people.

Passing on to Asia: in Persia in the year 1906, the Shah responded to the demand of the people for popular institutions and gave his consent for the establishment of a National Council. This newly created body enjoyed only a temporary existence, but the people succeeded in 1907 in obtaining rural and town councils to be chosen by universal suffrage. In India, the land of caste and of entire submission to British rule, the local councils which formerly consisted of six members were enlarged to sixty-six, twenty-five of whom are to be elected by the people. Most notable of all, China, the seat of conservatism since the world began, became a republic. It is by no

means certain that the changes to popular rule which have occurred before and during the war will result in stable, representative government in every country. Very probably peoples which have taken on democratic institutions after gaining liberty from long standing tyranny will go to extremes for a time. The reign of radicalism which has spread widely will, no doubt, be checked by the inevitable reaction. The dangers incident to a sudden transition from autocratic to popular rule have at no time been more forcibly expressed than by our honored President, Woodrow Wilson, in his lectures on Constitutional Government, in which he says:

"Self-government is not a mere form of institutions, to be had when desired, if only proper pains be taken. It is a form of character. It follows upon the long discipline which gives a people self-possession, self-mastery, the habit of order and peace and common counsel, and a reverence for law which will not fail when they themselves become the makers of law: the steadiness and self-control of political matur-

ity. And these things cannot be had without long discipline."

Closely associated with the growth of popular government on familiar lines, is the demand for larger individual participation by the people in public affairs, as instanced by movements for the direct primary, the referendum and the initiative. These demands have been especially prominent in Switzerland, in several British Dominions and in numerous States in this country. The strength of the movement in national politics has been illustrated by the adoption of a constitutional amendment for the popular election of senators. It cannot be said that these tendencies have yet reached their final manifestation in this country, but we may be confident they will not cause the havoc which their conservative opponents fear, nor will they accomplish the far-reaching advantages which their advocates have asserted. If there is any one who believes it possible to reform human nature or to change the character of our citizenship and its standards by new political methods or by legislation, he might as

well dismiss his arguments for silly season discussion. The really determinative factors in public affairs lie deeper than the initiative, the referendum and the primary, and are to be found in the despotism of popular opinion, the ideals, the traditions of the people, the willingness or unwillingness of the citizen to sacrifice his personal interest and to devote a reasonable share of his time and effort to the good of the state. If there are high standards in these regards we shall have good laws, whether they are enacted by state legislatures at the state capitals, or by a popular vote under the initiative. Officials of competency and honesty will be named whether at the primary or in the party convention.

The Changing Relations of the State to the Activities of the Individual

In the middle of the last century the doctrine of laissez faire prevailed in England, and was strongly supported in the United States and other countries. It was a widely accepted doc-

trine that the best method for each government was to restrict its authority over individuals to the protection of their rights and the punishment of wrongs, and to defence against foreign aggression. The most thorough discussion of this subject occurred in England. Jeremy Bentham, a reformer and a radical of wide influence, was a pioneer in support of the laissez faire principle as an application of utilitarian ideas of the greatest good to the greatest number. He advocated the utmost freedom in trade. One of his sayings was, "All that industry and commerce ask of the state is that which Diogenes asked of Alexander, 'Keep out of my sunshine'." Freedom of contract, absolute control by the individual of his own actions, provided he did not commit wrong which was worthy of punishment; these were his cherished views and they were adopted and developed by an imposing array of economists and publicists who followed him. Mr. John Stuart Mill said, that the only purpose for which power can be rightly exerted over any member of a civilized community against his

will, was to prevent harm to others. His own good, physical or moral, was not sufficient warrant for governmental interference. The only part of his conduct for which he was responsible to society was that which directly concerned others. Mr. Macaulay said that government had best undertake little else than strictly political duties. Mr. Buckle was much more pronounced in his views, and said that the proper aim of government was not to do something new, but to undo something old; it was rather to untangle and remove the effect of the mistakes which had been made by prior governments. In our own country Thomas Jefferson regarded individualism as one of the cornerstones of political organization.

The changing relation of the individual to the state cannot by any means be entirely ascribed to humanitarian considerations or to a different opinion as to the proper scope of individual activities. It is in large measure traceable to changing conditions; the remarkable growth of cities, the increased complexity of modern life, the factory system, the sanitary

and other dangers which lurk in great aggregations of population. It is a singular fact in regard to laws for the alleviation of labor conditions and for shorter hours, that the earlier statutes in England were enacted by the Tories. Brougham, Cobden, Bright, and Gladstone, and other leading Liberals, were such strenuous advocates of laissez faire that they did not, at the time of the earlier discussions, believe in exercising governmental control over the relations of employer and employee. Such questions, they maintained, should be left to private contract. John Bright was the bitterest opponent of this class of legislation. Cobden was somewhat less strenuous in his opposition. But with the phenomenal increase of manufacturing and a recognition of the pitiable condition of many of the workers in factories and coal mines, it became manifest that sanitary regulations and limitations of hours were essential for the general good. In this connection it may be said that laws for improving the status of toilers have their natural basis in an evolution in industry. There was a time

when the great majority of men and women were compelled to work from early morning until late at night for the mere means of subsistence. With the progress of invention, with machinery as a substitute for hand labor, the furnishing of the necessaries of life is very much easier than it was, and it is possible to add to these necessaries a constantly increasing supply of conveniences and luxuries. As a result it is not required that manual labor should be so constant or so strenuous. We should not withhold due praise from those who have been pioneers in advocating legislation for the betterment of labor, but these laws are for the most part the natural development of progressive factors which are made possible by the achievements of science and by superior knowledge.

The doctrine of non-interference has gradually given way to the idea that society is one great whole, and it is strenuously maintained by many that the growth and strength of governments should not proceed from the individual to the centre, but should go out from the

centre toward the circumference; that every citizen is the ward of the state and that a degree of parental control should be exercised over him. Thus the activities, the conduct, the contracts of all citizens, high or low, rich or poor, are fit subjects for legislation by the state, and the state will not perform its proper functions or attain its most useful position without legislation which shall define the relations of classes to each other, and exercise supervision over the people for the purpose of promoting the general welfare.

The doctrine of laissez faire was discredited by rulers and political leaders in Germany. Bismarck said it meant that "he who couldn't stand up should be knocked down." And again, it meant "to him that hath shall be given, and from him that hath not shall be taken away even that which he hath." The recently dethroned dynasty in Germany, and theretofore in Prussia, manifested an earnest solicitude for the welfare of the poorer classes. The Emperor William I said that the strength of the State was allied with the well-being of the com-

mon people. The Imperial Minister of the Interior once stated that the vast industrial expansion of the German Empire was chiefly due to the efficiency of its workers, and that such efficiency must have suffered had not the State secured to the working classes by social legislalation a tolerable standard of life, and, as far as possible, guaranteed to them physical health.

Numerous statutes discrediting the principle of laissez faire and most of them intended for the benefit of the working classes, were adopted in England after the accession of the Liberals to power in 1906. The first statute of prominence was the Trades Act of 1906, under which neither masters nor employees organized in unions or associations can be held responsible for tortuous acts. Next was the Old Age Pensions Act of 1908. An argument for this statute based upon expediency, was that many elderly people could not earn enough to keep them out of the poorhouse, who, nevertheless, if granted a small pension could piece out their earnings and prevent them from becoming a public charge. About the same time

the Education Act was adopted which contained a provision for the furnishing of a certain number of meals for the children of indigent parents. The Insurance Act of 1911 sought to secure two objects. First, insurance against loss from ill-health and provision for the attendance of doctors; second, insurance against non-employment in certain trades by a requirement that payments be made to those out of employment. Employment bureaus were organized under the control of the State. The Trades Union Act of 1913 allowed the funds of the trade unions to be used for the furtherance of political objects under the direction of officers of the union. Prior to the passage of this statute, these officers had sought to apply their funds to promote the chances of friendly political candidates. A member sought an injunction and obtained it. This Act was then passed and greatly increased the influence of these unions in politics. Further wage acts have been passed providing minimum rates of wages for those engaged in the clothing trades and in coal mines. The number of

trades included will, no doubt, be increased, and propositions have been offered and are now pending for the adoption of general minimum wage schedules.

Humanitarian Tendencies

A third tendency very closely associated with the last named is the spirit of humanitarianism as developed in recent years. This has profoundly affected the social and political life of nations. As distinguished from the attention just accorded to the changing relation of the State to the individual, it may be regarded as a changed relation of the governed each to the other.

In every period of awakening or convulsion there is a disposition to take stock of inequalities in the conditions of existence enjoyed by human beings, whether such conditions proceed from differences in the enjoyment of political power, or in the possession of wealth and the means of subsistence. The more favored classes yield to the less favored, either as the

result of force, or more frequently of orderly processes. Often the resistance to such movements is characterized by lack of vigor or by a conviction on the part of those in the enjoyment of power and privilege that the times require a change. Mr. Benjamin Kidd in his work on Social Evolution remarks how feeble was the resistance at the time of the French Revolution which the privileged classes interposed against those who demanded what they termed "their rights," and he makes this very strong statement, "It was in the hearts of the ruling classes rather than in the streets that the battle was won."

The tendency toward humanitarianism finds expression not merely in the policies of political parties and the promises of candidates for office, but in the general spirit which pervades communities and nations. It has been maintained that in countries such as Germany the movement has been due to a desire to promote efficiency, while in the United States and England it is the result of popular rule. The movement is traceable rather to an almost universal

enhancement in the regard which social classes have for each other, especially the more fortunate for the less fortunate. This has pervaded every portion of the earth where there is a careful consideration of the interests of all. It is a larger appreciation of what humanity and human welfare mean, a disposition which appears independently of forms of government, though more vigorously promoted in countries of popular institutions. The condition of the less favored classes has come to be considered not so much as an appeal to a spirit of benevolence as the basis of a right. While private activity for charity and betterment has reached proportions never known before, the State has been called upon to render assistance in far greater measure than ever. Illustrations may be found in enlarged provision at the cost of the taxpayer for public hospitals, municipal parks and playgrounds, for the better care of the insane and submerged classes, for the more considerate treatment of criminals. It cannot be denied that many well intentioned efforts for the unfortunate lead to excesses and even to

absurdity. The natural result of the activities of many philanthropists and aid societies—and this is true of statutory regulations as well—is to make permanent derelicts of those to whom aid is proffered. It is needless to say that the one aim in aiding the weaker should be to enable them, if possible, to look upward and become more independent and useful members of society.

The Growth of the Spirit of Nationality

This fourth tendency has been widely manifest, whether we interpret the term "nationality" as referring to existing nations or to peoples of kindred race and language having national aspirations. The growing influence of this tendency has been denied by some who argue that the spirit of cosmopolitanism has been increasing, that the world is becoming one great commercial republic, that international steamships, railways, cables and wireless have broken down barriers. Nevertheless, the fu-

tility of international associations made up of those of common views or interests was emphatically proven at the beginning of the late war. Their efforts for peace were ruthlessly swept aside by the stronger ties of nationality and their own members abandoned their cherished opinions of universal brotherhood in response to the call to arms. In the modern world every man realizes that for the enjoyment of the most helpful opportunities he must depend very largely upon the protection and assistance afforded him by his country, and that in turn his country needs his support and constant loyalty. Every nation desires to increase its commerce and trade, many seek to enlarge their borders, and all have that growing desire for power and influence which was so considerable a factor in precipitationg the late war. Pride of nationality is stimulated as international relations become more prominent. Along with these influences there has also been a certain growth of race-repulsion which increases rather than diminishes with closer contact. The attractive traits of other peoples and the

desirability of engaging in commerce and maintaining friendly relations with them are all recognized, but repellant qualities are recognized as well. It is not easy for those of different race and of different ideals to live together in the most perfect harmony.

Tendencies Toward Centralization and a Larger National Life

As an effect of increasing facilities for transportation and the extension of trade over far wider areas, together with the enlarged participation of governments in many essential enterprises and operations, there has been a pronounced tendency toward centralization. This has been powerfully reinforced by the national spirit above referred to. In some cases the dominant reason for unity or centralization has been political in its nature and actuated by the desire of a people of the same race and language to create a stronger nationality. This may be said of the consolidation of separate

states, formerly loosely associated, into the German Empire, and the creation of a United Italy. In other instances the most prominent reason has been a recognition of economic interdependence and a conviction that in a larger federation the different activities and agencies of government will be more effective. This may be illustrated by the consolidation under one federal government of the six Australian colonies, accomplished at the beginning of this century; also by the Union of South Africa, established about 1906, combining communities which had been loyal to the British Crown with those which had been at war with England.

As a result of peaceful development the tendency toward contralization has been very marked in the United States. In many respects boundary lines between different commonwealths have become mere vanishing traces on the map. The larger operations of trade and transportation are recognized as national rather than local. Many undertakings of national aspect receive different and sometimes conflicting treatment in the various States and

uniform regulations are demanded. It is still desirable, however, that each State retain its own political consciousness and separate responsibilities. It may well be questioned whether the tendency to abdicate the functions of State governments had not at the beginning of the war attained a development quite out of line with the fundamental ideas of the Federal Constitution. The dividing line between federal and state activities will be very largely determined by the comparative competency and efficiency of the respective governments of each in obtaining results. The question of raising revenue had much to do with this problem. Prior to the war it was altogether easier for the federal government to obtain by taxation the requisite means for necessary public improvements for which the states could not readily provide. The tendency of this was toward the adoption of enterprises by the Congress at Washington which might more naturally have been left to individual states or to their subdivisions.

Objectionable or Dangerous Tendencies

No treatment of this subject is complete without reference to certain dangerous or demoralizing tendencies which could be recognized prior to the war and which manifest themselves in all forms of government. The desire for special privileges or undue individual advantage is not confined to autocratic governments. It is plainly manifest in those of popular rule, though displayed in an entirely different manner. An ever present danger in any country in which universal suffrage is the rule, is the assertion by groups or classes of voters of claims which do not square with the general welfare. Mr. Gladstone used to refer to contests in Great Britain as a struggle between "the masses and the classes." The situation may be more correctly described as the result of an inevitable tendency toward the organization of classes from the masses, whether made up of the more favored or the less favored elements of the population. Intelli-

gent and well organized selfish interests are able to accomplish results for their own benefit which afford them special privileges entirely inconsistent with that equal opportunity which should exist in all governments. In our own country the principal basis of the undue influence of aggressive elements in the electorate may be found in the lack of interest and attention to public affairs which characterizes the great body of our citizenship. The absence of adequate civic responsibility has a ready explanation. The extraordinary expansion of commerce and industry, and the more assured rewards which accrue to those engaged in business or the professions, have caused a turning aside from political activity and a diminished regard for the important matters pertaining to the city, the state and the nation. Exceptional possibilities for individual advancement have given a stimulus to material development which affords a constant attraction to the most competent and energetic. There is no stratification in our society. Repeated examples of the achievements of those beginning in un-

promising surroundings who gained leading positions in finance or industry, give a constant spur to engage in a business or professional career and to become absorbed in it to the exclusion of civic responsibilities. There are, no doubt, glaring contrasts in the material conditions of the people, but opportunities are open to everyone much more generally than elsewhere. While these opportunities afford encouragement to all, they give a direction to the pursuits and aspirations of our citizenship which is not altogether desirable.

There is a constant disposition on the part of political leaders and parties to follow the most assertive demands of popular opinion and to seek the support of groups which include large numbers of voters. This has been very marked in recent years. Candidates for office are inevitably subject to certain potent influences. Their desire is for the support of the voters and for their continued favor in the recurring elections. They often find that the loyal assistance of the few is of much greater advantage in their campaigns than the passive

approval of the much larger body of citizens who are not actively interested. A personal favor, the passage of a private or pension act, or the obtaining of an appropriation for a community, creates a friendly and aggressive support. The securing of legislation for local improvements, sometimes altogether objectionable, is often given as the main reason for reelection to office.

The influence of classes imbued with a desire for the promotion of their separate interests threatens the quality of legislation. A powerful coterie demanding favorable action are often able to obtain what they wish by the threat that they will turn *en masse* from one political party to another if their demands are not complied with. This is very manifest in the work of many associations established upon sectional or class lines.

In this connection it may be said that in recent years there has been a marked decline in the prestige of members of legislative bodies, both state and national. For this there is a variety of reasons.

(A) In comparison with executive officers the representatives elected are thought to represent in far greater degree private or sectional interests. With the increased extent of governmental activity and the much larger number of enterprises undertaken by the state, local concerns assume greater magnitude and this fact tends to divert the activities of members of legislative bodies from considerations of general importance to those of lesser moment. The representative or senator in the National or State Legislature is prone to regard himself as the agent of his locality. No doubt this spirit of provincialism often possesses legislators when they could more wisely appeal to the people for support on the basis of devotion to the interests of the whole state or nation.

In contrast with the special responsibility of members of legislative bodies to a part of a state or of the country, the President and governors of States are regarded as having a direct responsibility to all the people of the nation or of a state. Mr. Cleveland once wrote that the

President of the United States was the one person who should be accessible to every citizen for the presentation of his grievances. Again, the acts of executive officers are usually given wider publicity and they have a readier hearing from the public and often more general credit for measures recommended or promoted by them.

It is superfluous to say that there should be unremitting warfare against class consciousness and the domination of individual or selfish interests. One main object of the recent war was to destroy privileged classes, and it seems altogether impossible that in a country in which there is universal suffrage and a strong underlying spirit of patriotism there should be submission to the control of groups or organizations whose horizon is bounded by provincial or selfish aims.

(B) There is a prevalent impression—not altogether based upon facts—that there have been more numerous instances of the use of corrupt methods in the case of legislators, also that they are more likely to become subject to

the dictation of political bosses or of powerful business or financial cliques. Accusations of the use of bribery in legislative bodies have been frequently made, and in some cases the proof has not been lacking.

The demoralizing effect of the use of money in election campaigns has been a fruitful source of evil in its influence upon public officials and has affected the standing of legislators and executive officers alike. But, as in the case of many other objectionable features in our political life, the chief responsibility for extravagance in the use of money rests with the people. Indifference is prevalent. Elaborate organizations and costly campaigns have been found necessary to bring voters who have convictions to the polls, and with those of no settled convictions money has been utilized to influence their votes.

(C) A serious danger in political tendencies is the inertia which has been characteristic of legislative bodies, both state and national, and the lack of ready response to the people's will. In general, it may be said that there has

been failure to adopt those progressive policies and methods of procedure which are required by present day conditions. For years it has been recognized by all careful students of the subject that there are fundamental defects in the making of appropriations by the Congress at Washington, and that there is a lack of proper coordination between the executive and legislative branches, as well as between the committees or agencies having to do with the raising of revenue and its expenditure. For a long time the necessity for a more rational policy for the conservation of national resources and rendering them available for the people's use, free from monopolistic control, has been regarded as a crying need. Water power having a value of many millions per year has been going to waste because of a failure to agree upon regulations for the granting of rights by the federal authorities. This has been true though numerous bills have been introduced and the subject has been almost constantly under consideration for the last ten years.

It is not intended to say that there should be

an immediate response to every wave of popular agitation. There are two fundamental ideas embodied in the Federal Constitution, both alike to be reckoned with. First, that the will of the people should prevail. Second, that the popular will should be deliberately expressed and after mature consideration. It has been pertinently said that the framers of the Constitution were equally afraid of the despot and of the mob. Thus the Constitution contains a formidable array of provisions which make for deliberation and prevent hasty action, such as the existence of two legislative bodies, the veto power of the Executive, to be overcome only by a two-thirds vote of both houses, and the revisory power of the Supreme Court which has the right to declare statutes invalid. The rule in vogue in many countries that Cabinet ministers should resign after an adverse vote in the legislative body is not accepted here. The requirement for a two-thirds vote of both Houses of Congress and subsequent ratification by three-fourths of the States in the adoption of Constitutional amend-

ments, is in the same line with other regulations which require deliberate action. But giving full scope to these salutary provisions there has often occurred a wholly unnecessary delay in the enactment of wholesome laws. Oftentimes there has been an almost universal opinion in favor of very essential legislation to which Congress or State legislatures have failed to respond. A frequent explanation for this is that ultra-conservative elements have an undue influence in controlling the action of legislative bodies and that bills are suppressed by committees, but there are other reasons, partly traditionary, partly based upon methods of parliamentary procedure, and more than all upon the very wide range of subjects which call for legislative determination. The number of bills annually introduced in the British House of Commons can be numbered by hundreds, while those in the two Houses of Congress at Washington must be counted by tens of thousands. It is not because of a mere preference of legislators that the committee system has been adopted. Such a system is absolutely

essential. The great mass of legislative proposals presented for consideration makes it imperatively necessary to refer bills which are introduced to scores of committees, otherwise the necessary care in drafting and perfecting measures could not be attained. There is imposed upon the Congress of the United States the duty of considering a multitude of private claims, some of which survive even from generation to generation. It must give attention to the varied requirements of the municipal government of the District of Columbia. Thousands of private pension bills are introduced every year. The record of a member of the House of Representatives who was for a long time continued in office, discloses that in a single session he introduced twelve hundred pension bills and not a single measure having to do with matters of national scope. This illustration could be duplicated by the record of other members. Bridges across navigable streams must be authorized by Act of Congress, although in practically every instance the granting or refusal of the right is deter-

mined by recommendations of the War Department. Bills making appropriations for rivers and harbors and for public buildings, include hundreds of items, the consideration of any one of which may lead to extended discussion before committees or in the two Houses of Congress. The evil resulting from this enormous mass of subjects to be considered by the National Legislature is that time required for questions of national policy is consumed upon questions of detail or of trivial importance. The effects of the system upon individual legislators in diverting their attention from the larger and more important subjects which should occupy their time are passed on to the electorate as well, in that their judgment of the standing and qualifications of their representatives in the National Legislature, House or Senate, is obscured by the prominence of questions which are not national in their scope. A very large share of the business which now consumes the time of Congress could be more efficiently and fairly performed by non-partisan expert commissions. This was

a favorite plan of the late President Roosevelt. For example, a government building is much to be desired in the growing cities of the country. Such a structure impresses upon the community in which it is located the ever present activities of the Federal government, and provides a permanent centre for the transaction of official business. It is dangerous, however, to vest the selection and the amount to be expended in bodies in which personal claims or prestige are so likely to result in favoritism or waste.

Thus, the present methods of transacting legislative business in the national legislature have become obsolete and are entirely unfitted to meet the requirements of one hundred and ten millions of people. In the early days of the Republic the difficulty of meeting such staggering demands for legislative action did not exist. In the first few Congresses the total of appropriations reached only a few millions, and the statutes relating to them could be written upon a very few pages. The first Act passed by Congress making appropriations for

federal expenses became a law September 29, 1789. The amounts provided were included under four general heads, aggregating less than one million dollars, and were set forth on a single page in eleven lines of print. There soon developed a disposition to make specific mention of every object appropriated for. The statute of 1795 contained less than three pages, and, as an illustration of the tendency toward greater minuteness, included the sum of twelve hundred dollars "for wood and candles in the several offices of the treasury department (except the Treasurer's office)." Not until the year 1800, did the total of appropriations reach the sum of ten millions of dollars, and this amount was not again reached until 1809. Under these circumstances it was possible to give attention to every item. Now there is not only an increase in population of thirty-fold, but a far greater increase in the functions of government, and in the objects for which appropriations are made. The average of annual expenditures exceeds one billion. In the last copy of the Annual Sta-

tutes of the United States appropriation bills occupied a very large share of the pages of the general statutes, while the disbursements specifically or generally authorized approximated fourteen billions. True, this immense amount was due to the exigencies of war, but every kind of legislation has so increased that the methods of legislation at first devised are clearly inapplicable to present conditions. The most wholesome reform would be accomplished if in all these questions Congress should restrict its action, as far as possible, to the determination of questions of general policy.

A substantial obstacle to the ready enactment of federal legislation is the unlimited debate which has been allowed in the Senate, until a slight modification in the rules of that body, recently adopted, which, however, makes no substantial difference. For this prerogative of the Senate there are both affirmative and negative arguments. The arguments against the present method of procedure are the postponement or defeat of measures having the support of a majority of Senators. Of this

there have been notable examples in filibusters, especially at the close of a session when there is a great mass of proposed legislation awaiting disposition. On the other side, it must be said that this right of unlimited debate is the bulwark of the minority, that it ensures more careful and intelligent consideration, time is afforded for an expression of popular opinion throughout the country, and upon many important propositions the action of those who have conducted a so-called filibuster has been ultimately approved by the people.

A glaring defect in the methods of transacting business in both Houses of Congress is the tendency to hold back until the very last day or days of the session, the final passage of important appropriation bills and other measures. This causes a crush in legislative work, and often leads to hasty action and sometimes to serious errors in the form of bills. One unfavorable result is that much legislation is practically determined by Conference Committees rather than by the two houses in the exercise of their proper functions.

Specific reforms intended to afford relief from the tendencies which make for inefficiency or inertia now existing, are at present under earnest consideration in Congress and elsewhere. In nothing is there greater need than in the system of making appropriations. Present methods cannot be said to be conducive either to economy or to the most orderly and careful prosecution of governmental activities. The laws require the members of the Cabinet to prepare in the autumn of each year estimates of the amounts to be appropriated for the respective departments or branches of the government. These estimates are collected by the Secretary of the Treasury and by him are submitted to the House of Representatives at the opening of the following session. In performing this duty he has no power of revision, although he might make suggestions to his fellow Cabinet officers. During the administration of President Hayes, Mr. Sherman, Secretary of the Treasury, sought to obtain authority to review the estimates of his colleagues, but this was strenuously opposed. Each member of

the Cabinet, and even his subordinates, may appear before committees of Congress to advocate provision for their departments or bureaus. In addition to the departments or bureaus there is a very considerable number of commissions and other bodies outside of the jurisdiction of any Cabinet officer, all the members of which are seeking generous provision for their work. In commenting upon the claims made under such a system, a committee of the Constitutional Convention of the State of New York in 1915, said: "In size they are limited only by the enthusiasm of each bureau chief for the activities of his own bureau." The President may enjoin upon his subordinates the necessity for limiting expenses or emphasize the relative importance of different branches of the federal service, but it is out of the question that with his manifold duties he should be able to exercise such a degree of supervision as to secure a symmetrical budget characterized by a proper degree of economy. The argument has frequently been made against executive control of expenditures that

in the history of appropriations it appears Congress has cut down the amounts recommended by the executive department in almost every case. It is rather an exposition of the imperfection of the system. Another objection to existing methods arises from the relation between the two Houses of Congress. Although the House of Representatives has the first consideration of money bills, the Senate has unlimited power of amendment. It may be conceded that either body would be entirely competent to determine questions of this nature, but there are manifest advantages in giving final authority to one or to the other. When appropriation bills have passed both houses, the separate preferences of the two, and of many individual members of each, in fact, is readily traced, and this method makes for extravagance. One house may lay special stress upon certain classes of appropriation, and the other upon others. For example, the House of Representatives may consider that in provisions in the agricultural appropriation bill for the destruction of pests, the boll

weevil requires the more serious attention, while in the Senate the gipsy moth may be regarded as the more serious danger. For a long time there was a variance between the House and the Senate as to the comparative value of battleships and cruisers in the upbuilding of the Navy. As an outcome, after the question has been in conference between the two houses, the almost invariable result is to include generous provision for both, and this applies to the whole aggregate of appropriations.

Again, the method of granting to various committees in the two houses the right to frame appropriation bills creates a lack of harmony and tends to increase the aggregate amount. Still further, there is no concert of action between committees having to do with provision for revenue and those having charge of bills for appropriations. Until the year 1865 the same committee of the House of Representatives reported revenue bills and all appropriation measures as well, when there was a

division into two great committees, that on Ways and Means, upon which was laid the duty of framing bills for revenue, and that upon Appropriations, which recommended amounts for expenditure. At a later time the argument prevailed that the concentration of all appropriations in one committee gave to it undue power, and that the different branches of the government required more extended consideration than could be given by a single body. Various bills were assigned to other committees. One immediate reason for the division was of a personal nature. It was the desire of the controlling element in the House to limit the authority and prestige of the then Chairman of the Committee on Appropriations, Mr. Samuel J. Randall, who was not in accord with the majority of his party on the question of tariff. However conclusive the arguments for a division may have been, the result must be a failure to recognize the comparative needs of the different departments of the government such as is manifestly necessary in any well organized plan. The different com-

mittees all lay special stress upon the subjects included in their jurisdiction.

There has been a recent agitation for a budget system, the movement for which was given special impetus by the recommendations of President Taft during his administration. Resolutions are now pending in Congress for the creation of a commission to investigate and report upon this subject. The term "budget" has been used somewhat loosely, and in many instances without any adequate definition of its scope and meaning. There may be said to be two classes of budgets or plans for the making of appropriations; one depends upon parliamentary scrutiny and discussion under which the budget is essentially the result of legislative action. The other rests primarily and principally upon the executive department, and the authority of the legislature over the objects for which expenditures are to be made and the amounts therefor are prescribed by executive authority. The United States presents the best example of the former, and England or the United Kingdom of the latter. In fact,

these two countries may be said to illustrate the two extremes, and in most other countries the method adopted is that of a middle course between the two. The latter plan with various modifications has been long in use wherever the responsible ministers are members of the legislature.

There are several essential requirements in any well devised budgetary system. Propositions for the raising of revenue and for expenditures should be inseparably connected so that the two may be as nearly equal as possible. For some years prior to 1890, amounts raised by taxation in the United States were far in excess of governmental requirements. It is obvious that such a condition is a constant incentive to extravagant expenditure, and a worse situation arises when appropriations exceed revenues. Every report should contain the recapitulation of comparative receipts and expenditures for some years preceding the date at which the annual budget is presented, and the probable surplus or deficit at the beginning of the year for which provision is to be made.

Another requisite is that the responsibility for estimates, both of receipts and expenditures, should be centralized. Any change in the methods of the Federal government would naturally impose additional duties upon the Secretary of the Treasury. In the same connection it is desirable that disbursements be subjected to close scrutiny by skilled accountants, acting under the direction either of the executive department or of Congress, who shall make sure that expenditures are devoted to the objects and restrained within the limits intended. The Committee of Accounts of the House of Commons is one of the most useful agencies for securing the proper disposition of amounts appropriated.

It must be conceded that the English system is superior to our own in the most essential features pertaining to fiscal management. There is vested in the Chancellor of the Exchequer the duty of preparing the Budget. Appeals must be made to his office for all appropriations, and he has before him reports from every branch of the government. When his report

is completed it is embodied in the bill presented to the Commons, whose authority is restricted to the adoption of the budget within the limits recommended. New items cannot be introduced by amendment, nor can items already included be increased in amount. As the rule was laid down by Mr. Gladstone in 1866, the duty of the Commons is not to augment, but to decrease expenditure. The same budget increases or diminishes existing taxes so as to provide the amounts required. Such a plan, however, is not readily adapted to a country in which there is a separation of the legislative from the executive in the manner provided by the federal Constitution.

Very considerable progress has been made in divers states of the Union in the adoption of a budgetary plan. In nearly all of these there is a pronounced disposition to vest much larger powers in the executive branch of the government and to do away with much of the authority formerly exercised by the legislature. The States of Maryland, Utah and New Mexico have adopted the budget system in a very com-

plete form. In Maryland a constitutional amendment making provision for the new methods was adopted and statutes were passed enforcing it. In Utah and New Mexico provision is made by statutes under their existing constitutions. In each of these states the Governor must prepare and submit to the legislature a budget containing a complete plan or list of proposed expenditures and estimated revenues, and with it a bill for the adoption of the recommendations contained in it. There is a strict prohibition against the increase of amounts recommended by the Governor and against the making of supplemental appropriations save in cases such as constitutional obligations or others of exceptional nature. No other appropriation bill can receive attention until the budget has been passed upon, and supplementary appropriations which are required by conditions arising after its presentation must be separately considered, and none can be made unless there is either a balance in the State Treasury to meet the amounts required, or additional taxes are imposed for that

purpose. In New Mexico the Governor and members of departments and institutions have the right to appear before the Legislature and be heard in respect to their estimates. Less radical provision for a budget has been made in a number of other states.

In any proposition for adoption by the federal government of plans similar to those in vogue in the states mentioned, it is impossible to ignore substantial obstacles based upon constitutional provisions and the preferences of the people. In the first place if, according to plans which have been proposed, the executive has control of expenditures without responsibility for providing revenue, there will be constant friction. If he is to exercise control over both expenditures and the raising of revenues, his power becomes despotic. In any event so great a change would involve the transfer to the executive of powers and duties which have belonged to the legislative branch from the very beginning of the government. It should be noted that the so-called power of the purse, the right of the representatives of the people to

determine appropriations, and to frame revenue bills, has been regarded for centuries as the very citadel of popular government. The controversy over the right of the king to levy taxes and to determine the apportionment of public funds without the authority of the House of Commons, was the main source of the quarrel between King Charles I and the Parliament. The prerogatives of the legislative branch of the government in this regard have been so firmly fixed, that it is doubtful whether any Congress would ever consent to changes abdicating their control over revenue measures and appropriations.

Another method which has much merit has been suggested, namely, the formation of a general committee in the House of Representatives, to be made up of, say, two members from each of the various committees having to do with the making of appropriations, the committees on Naval and Military Affairs, Foreign Affairs, Agriculture, Post Offices and Post Roads, Rivers and Harbors and Indian Affairs, including, of course, the general com-

mittee on appropriations which still reports six supply bills. There would have to be added representatives from the Committee on Ways and Means, so that propositions relating to revenue may be brought into unison with those relating to expenditures. It would be the duty of this committee to consider the probable demands of the government for all its operations and recommend specific amounts for each branch of the public service, together with provision for the necessary revenue. The recommendations of the committee would be presented to the House for discussion and amendment. If the House upon full consideration concluded to increase or diminish the amounts recommended by the committee, the vote of the majority of the whole body would be required. After the totals of these respective appropriations were determined there would be an opportunity for the Senate to increase or decrease. When the limits of expenditure should be thus fixed, the duty would be remitted to the respective appropriation committees of Congress to apportion expenses

for the various objects included in their jurisdiction, not exceeding the specific amounts determined upon for each. Such a plan would secure a most salutary reform. The Congress, rather than scattered committees, would assume the responsibility for fiscal legislation. One advantage would be a clearer presentation to the country, and a more thorough understanding by the Congress itself, of the respective needs of the different activities of the government. Greater publicity would be assured, and more general interest aroused. Each committee would be under limitations which do not now exist, and the tendency would be toward economy and the more beneficial utilization of public funds.

Relation of the President to Congress

For a considerable number of years there has been an intelligent agitation for closer touch between the executive and Congress, though no definite popular opinion seems to

have been formed upon this subject. Those who favor an innovation in this regard, also advocate a larger degree of participation by the executive in the framing of legislation. The obstacles in the way of such changes, as in the case of a budget, are largely traditionary and based upon widely accepted conceptions of the proper functions of the two branches of the government. When the federal constitution was adopted there were vivid recollections of the arbitrary conduct of royal governors, and an idea was prevalent that the rule of the people was best assured by vesting in their representatives the largest possible degree of power. It was thought best to adopt as a fundamental principle the division of governmental functions into three departments, executive, legislative and judiciary, and to insist upon a clear line of division in the powers and duties of the three. There have been striking contrasts in the attitude of the various Presidents toward the national legislature. President McKinley may be said to represent one extreme. This was due to his conciliatory spirit and to his long

experience as a member of the House of Representatives, which had given him an intimate acquaintance with many members of both houses. Other Presidents of a more independent or dominating disposition have maintained an entirely different attitude, sometimes cherishing a depreciating opinion of the legislators, or of the "men upon the hill," as one executive expressed himself. This has caused distrust of the motives and qualities each of the other, especially when the President has been of a different political party from that of a majority in one or both houses.

The defects of the present system are manifest in the lack of helpful cooperation, also in the long delay of Congress in acting upon executive recommendations and the disposition to follow different paths. It has been maintained that this could be remedied by the presence of Cabinet officers on the floor of one or both Houses of Congress. It is obvious that this would create a vital difference in the relations between the heads of departments and Congress. The present duties of Cabinet of-

ficers are distinctively executive. Should they have place in either House of Congress different qualifications and duties would be brought into play. It would be necessary that they be ready in debate and that a very considerable share of their time be given to attendance upon sessions of Congress. One result might be the installation of deputies of permanent tenure and enlarged authority, whose time would be exclusively given to the routine work of the respective departments. Nevertheless, such a change would tend to secure a better understanding of the recommendations made by the President and his Cabinet, and to promote cooperation between the executive and the legislative. Whether it would tend to enlarge the power of the executive may be doubted. Many propositions presented by him or his subordinates would be subjected to the fiercest criticism and accepted, as now, only after elaborate discussion. Under the present system it has been the custom of presidents and governors to "go before the people," as it is expressed. In this manner it is hoped to bring an unwilling legis-

lative body to accept recommendations which have been rejected or unfavorably considered. This method is indirect, involves much delay, and tends to create antagonisms.

Important Political Tendencies After the War

Never have so many extremely important problems demanded immediate solution as at the present time. The questions to be decided are not only very numerous and of supreme importance, but the viewpoint of the peoples is altogether different from that which prevailed formerly. The thoughts of men have been quickened as never before and newly developed aspirations are everywhere demanding attention. The war has aroused a spirit of heroism and self-sacrifice, also a degree of altruism, all of which promise human betterment. It has been well said that unsettled questions are fatal to the repose of nations. The close

of the war has created an urgent demand that not only questions growing out of the war, but others that have been demanding solution for centuries, be settled now and permanently. The convulsion which has held the world in its grip promises radical changes in the relations of governments to the governed, and of the governed each to the other. Tendencies which were plainly manifest in some countries will be effective there with increased force, and much more in others where similar movements were latent or suppressed. We shall behold not merely the further and enlarged development of tendencies already existing, but others will unfold as the result of the awakening incident to the frightful contest through which the world has passed.

As regards the effect of the war on relations between governments and the governed, it is clear that the demands for popular institutions will be very much accentuated. The war was won by nations of liberal type. One potent reason for this demand will be the earnest desire for an era of peace, and the almost uni-

versal feeling that wars in the past have been the result of dynastic ambitions. It is very generally believed that but for the ambition of one sovereign the terrible conflict would not have occurred, and there is assurance that countries which have popular rule will not hastily engage in war. In forecasting the future of democracy, we must take into account its difficulties in areas inhabited by peoples who have for a long time been under arbitrary restraint. With many of them all forms of restraint, however salutary, will evoke strenuous opposition, because any form of government is associated in their thought with injustice and oppression. The difficulties are particularly marked in those countries of Europe in which there is a mingling of race, religion and language, which tends to prevent unity and orderly government. Under whatever form, this has been one of the main causes of discord and war in Europe and elsewhere. In many of them the political map does not correspond with the ethnical map. It is a condition of popular government that the majority must

rule. Political power must find lodgment somewhere, and a necessary theory wherever popular institutions exist is that there is so far a common interest which pertains to all, that control can be entrusted to the mandate of a majority without injustice to any part. Though the advocates of popular rule must recognize the necessity of restrictions upon majorities and the exclusion from the domain of government of certain rights which no individual can surrender, they nevertheless, cannot accept the saying of Ibsen, "Minorities may sometimes be right, but majorities never."

In some of the countries which have been liberated from autocracy it will not be easy to establish a rule of majorities because the population is of such distinct and sometimes antagonistic types. The bond which has united these countries has been military force, the prestige of a dynasty, or common economic interests. The aim of despotic rulers has been to bind together discordant elements, and in accomplishing this object efforts have been made to promote the adoption of a single language and

often to establish one religious creed. A country is fortunate whose people divide on political questions independently of racial or religious divisions and unitedly seek to promote national interests and the welfare of the whole body of citizenship. Political divisions have been aptly described as horizontal or vertical. The horizontal cleavage is due to age-long sources of difference, such as those already mentioned, of language, race or religion. In these countries it may be said that the different elements in the body politic are like geological strata. On the other hand, vertical divisions separate by a less perceptible line all the inhabitants of a country. The citizens divide upon simple questions of national policy of general concern, and such a degree of individual independence is afforded that the constant struggles for freedom of conscience and inalienable rights are absent. Our own country is fortunate in this regard. While the so-called "melting pot" has not created an entirely homogeneous people, the spirit of equality aided by the public school system, by frequent

changes of residence, and the ready mingling of those of different descent or traditions, all tend toward harmony. One rule that should be insisted upon at the Peace Table is that in the countries in which such bitter antagonisms have existed there should be respect for the liberty of the individual, and no oppression because of creed or race.

The tendency to a survival of many objectionable features of a political or social system which has been superseded or overthrown affords an interesting study. Certain customs are deeply imbedded in the habits of a people and are not easily abandoned. The outstanding fact is that progressive tendencies which are successful are aimed against particular evils or assume particular forms and are rarely comprehensive in their nature. A revolutionary movement may be directed against autocratic power or ecclesiastical domination and succeed in its main purpose, but many minor characteristics of the former order remain for a long time as excrescences upon the body politic. Of such survivals there have been many examples,

such as the retention of property rights in lands, exhibiting traces of the feudal regime; stringent regulations in favor of the landowner against his tenants, like those remaining in France since the establishment of a republic. Forms of government may change, but graft and corruption still prevail in official circles. One of the most striking, and at the same time, most commendable, endeavors of the patriotic citizens of the Latin American Republics has been the effort to rid their country of the dishonest practices which have come down to them as an inheritance from the days of the Governor-General and his subordinates. The administration of the ordinary governmental activities may still retain a complicated and incompetent bureaucracy. Injudicious laws and regulations may still be adopted, the only difference being that the source of power has been shifted from those wearing the insignia of nobility to the demagogue. It is probable, but by no means certain, that, in view of the unusual awakening incident to the recent upheaval, changes will be more sweeping than in the past

and there will be a prompter acceptance of reforms which are universal in their scope.

In spite of all the dangers which arise from the revolutionary changes in recently liberated countries, it is to be hoped that the aspirations for liberty which have dwelt in the breasts of these people for centuries will prevent them from abusing the privileges of freedom, and that intelligence and self-restraint will cause them to recognize that a reign of law and due consideration for the rights of others must go hand in hand with the privileges of independence.

The constant presence of forces of reaction, the tendency to go from one extreme to another, has already become apparent, especially in Russia and in efforts which have been manifest among the Central Powers. It may be confidently expected that no regime of assassination or of class domination can permanently endure. A sentiment favoring liberty, based upon law and justice, which abhors cruelty and class supremacy, is strong everywhere. It is a mighty force to overturn any government

similar to that now in control of a considerable part of Russia. Not only does this sentiment have great force in the country involved, but there is a reflected influence from other countries which is sure to have its effect. Also, there is among all peoples a widespread disposition to place order on the same level with liberty, and often the desire for the former outweighs aspirations for the latter. This fact explains the despotic authority sometimes exercised by rulers over peoples who naturally would desire free institutions. Of this there have been numerous illustrations from the time of Pisistratus of Athens to Porfirio Diaz in Mexico. The French Revolution affords an example in which a Reign of Terror was overthrown because more tranquil conditions were desired. Liberty founded upon crime and maintained by bloodshed and a denial of equality cannot be regarded as genuine.

New Relations of Governments to the Activities of the People

Our own country though less seriously involved in the late struggle, may be regarded as typical of all in many respects, though some tendencies will be especially prominent here. One inevitable result of the war will be the greater care and supervision of the state with a view to improve the condition of the individual citizen. Nothing more vividly reveals the material as well as the moral and spiritual strength or weakness of a nation than to be engaged in a contest in which its very existence is at stake. Defects in physique to an extent not at all realized were brought to light by the medical examinations of our soldiers. It is not merely for victory in war, but for national upbuilding in peace that an efficient citizenship is required, and thus the public health is now recognized as a matter of the most urgent concern. In another particular a serious situation was disclosed in the United States. It ap-

peared that great numbers of those living here were lacking in loyalty to this country and still retained a stronger attachment to the countries from which they came. Of these some of the most intelligent engaged in plots against our vital interests and sought to promote disorder and anarchy, while others, less intelligent, were entirely unfamiliar with the nature and spirit of American institutions, and thus became the ready tools of disloyal leaders. Others have shown themselves to be the foes of all governments and advocates of the destruction of existing social organizations. This condition has caused a rude awakening which should result in no revival of Know-nothingism or crusade against immigrants, but a stern insistence that disturbers and disloyalists shall be rigorously excluded, whether those seeking to come hereafter or already here. A more general education in the language of the country and the duties of citizenship is urgently required. The demand for an assurance of undivided loyalty cannot stop with those of foreign birth or descent, and there is every indication that there

will be restraints upon unlimited freedom of speech and of action quite out of keeping with the easy tolerance of the past. The same considerations which demanded that a loosely joined confederation of states should give way to a united nation, now demand that there should be no loosely joined association of citizens, but a united people.

The question of the release of the state to industry is assuming almost paramount importance. Propositions pending look to an extension either of public regulation or of public ownership. Since the commencement of the war, in August, 1914, governments have taken over railroads, also industries suitable for furnishing military supplies, both of which formerly were under exclusively private ownership. They have also exercised control over practically the whole field of production and distribution. These steps were regarded as essential for the successful prosecution of the war. It became evident that it was necessary for the various governments to secure that concentration of effort and unity of control which in pri-

vate hands had come to be regarded as odious under objectionable forms of monopoly. It is too early to determine the precise effect of such enlarged participation upon the course to be followed in the future, but many instructive lessons may be derived from the events of the last few years. Increasing attention is now given to the question whether drastic statutes and regulations against combination in industry are not harmful in a time when large scale operations are so essential for efficiency. In the matter of public regulation, a natural dividing line has been maintained between so-called public utilities and the ordinary operations of industry and commerce. A distinction has also been observed between enterprises conducted by private corporations and those under the management of individuals and partnerships. The right to exercise exceptional control over corporations has been based upon the fact that their existence depends upon a grant from the state and that government supervision is required because of the privileges which they enjoy. There is a growing disposition, however,

to the effect that these rules do not sufficiently safeguard the interests of the public, and that the more comprehensive principle should be observed that all the activities of business, whether corporate or private, should be so conducted as to promote the general good. This opinion has in a measure received the sanction of judicial decisions in the Supreme Court of the United States.

There are numerous factors which promise an increase of public regulation. The constantly widening ramifications of business, its greater magnitude and the ever increasing extent of social demands, all promote this tendency. With this increasing magnitude of the operations of business and the more pressing needs of social life, opportunities are multiplied for practices altogether inconsistent with public welfare. To prevent these public interference is demanded. The problem of the employment of labor has become a national one, and private employment bureaus have not proven sufficient to adjust supply to demand. The relations of employer and employee in

numerous occupations present difficulties the solution of which is of far-reaching importance and affect every interest of the country. Disagreements upon labor conditions and wages have threatened the maintenance of supplies of food and the ordinary necessaries of life. Essential means of communication have been endangered. To all these problems the state must give most careful attention. But with equal insistence the highest standards must be required of all those who have to do with public regulation. They must keep pace with the progress which is so manifest in the new situations which have called them into action. There is an obvious danger that the disposition of officials will be colored by partiality, or by a desire for the advantage of political parties or candidates for office. No adequate or perfect adjustment of the relations of government to industry can be secured until decisions are solely based upon a full appreciation of the necessity for a just and intelligent solution of the important questions involved.

At the very forefront among questions to be

settled is that of the railroads of the country and of other agencies which provide transportation. There can be no better illustration of tendencies toward reactions in popular opinion than in the attitude of the public toward the railways. In earlier years the disposition of the people was one of marked partiality to them. This was illustrated by numerous land grants and subventions to railways, and the granting of various substantial concessions. At times these powerful aggregations of capital threatened to overshadow the state itself. This attitude of the public gave way to one of equally partial regard for shippers and later to especial consideration for the interests of railway employees. Serious omissions in the policies which have been pursued are now very generally recognized. Under a system by which the predominant influence in determining the rates to be charged by railroads has been exercised by those who patronize them and are interested in the lowest possible cost to themselves, the development of transportation facilities has been seriously hampered. Nothing

short of a great emergency could have given adequate proof of this fact, and that emergency was furnished by the demands of war. The war has also shown the benefit of unified control, and an idea which still has a great hold upon the public thought, that sharp competition between parallel lines is helpful, will surely give way to new ideas of cooperation. There can be little doubt but that a more liberal policy will be extended to these corporations in the way of authority to increase charges for freight and passenger traffic. This will not be associated with any relaxation, but rather with added strictness in public regulation.

As regards public ownership of railroads, it must be conceded that recent experiments in government management have not proven to be satisfactory in this country, though it would be venturesome to attempt to forecast how this problem will ultimately be settled. There are now manifest obstacles in the way, such as the lack of a trained force of government experts suitable for this task, and, under present conditions, the confessedly greater efficiency of

private management. The experience of Germany and other nations affords us no reliable example in this regard. In many of the countries in which there is government ownership and control of railways, military necessities were a primary consideration. The employees have been for a long time subjected to a severity of discipline which would be impossible in the United States. Again, the disposition of employees is altogether different from that which prevails here. We have not the large class of persons who are willing to give a lifetime to mere routine or to subordinate positions. The conviction is still deeply seated in the minds of the people that it is not by the bureaucracy of a paternal government, but by the free play of individual initiative that the country has attained its splendid development, and that no change has occurred to justify any radical departure from that policy. The political argument against government ownership requires attention. If two millions or more of men were given status as government employees their appeal for more favorable conditions

for themselves would be constantly addressed to Congress and those holding political positions. Their votes would be earnestly sought by political parties and officials entrusted with the framing of laws and regulations relating to railway management. The great body of these employees would naturally be willing to break away from the usual political ties and support those parties or candidates who favored their interests. This is a probable result of government ownership which under present conditions in this country assumes very considerable importance. On the other hand, it is strenuously argued, and that too by many who do not favor public ownership as an independent proposition, that the central government is the only organization which has the power and prestige to stand in the way of possible demands for increased wages which are excessive, or against discriminating regulations and taxes imposed by the states. It is maintained that under private ownership the sympathies of the vast majority of the people will be unfriendly to the railway corporations, and thus they will be un-

able to perform their duties or secure an adequate return upon capital invested, because the public will not submit to the higher charges necessary to meet increasing costs of operation and necessary improvements unless the added amounts are paid into the national treasury.

Humanitarian Tendencies. There is every reason to believe that there will be a notable increase in humanitarian movements after the war. The fearful crisis has called into helpful activity vigorous and self-denying efforts everywhere, arousing persons who formerly were living lives of personal indulgence. We have witnessed the patriotic services of millions of soldiers, enrolled to battle for the republic, whose achievements have been characterized by a spirit of sacrifice and devotion and attended by sorrowful loss of life and of health. The part played by the armies in the field has been reinforced by similar manifestation of devotion from equal numbers outside of the ranks. These services have created a burning impression not only of the immeasurable debt which the coun-

try owes to its citizens, but also of the obligation which citizens owe to each other. The state must pay its debt, but there remains an equal responsibility for the individual. This responsibility will surely create a new recognition of the demands of humanity. Such a disposition will be greatly promoted by the events of the war which have brought together under a common cause multitudes of persons between whom formerly there existed a spirit of indifference amounting almost to repulsion. War destroys many existing standards of social value. Old distinctions give way to sentiments of equality and a realization of the rewards which are due for services rendered. The frightful suffering of multitudes in the wake of the war in Europe has caused an awakening which has been universal in its appeal. Public provision by appropriations from the national treasury and private subscriptions, as for the Red Cross and similar societies, have assumed a volume utterly unprecedented.

The proposed League of Nations clearly manifests a far greater regard for humanitar-

ian ideas than have ever before been included in a treaty or agreement among nations. It contains provisions looking to the amelioration of the condition of men, women and children engaged in labor. It adds to the recognition of the Red Cross in prior treaties, an article under which all the member nations "agree to encourage and promote the establishment and cooperation of duly authorized voluntary national Red Cross organizations, having as purposes the improvement of health, the prevention of disease and the mitigation of suffering throughout the world." The covenant also contains an elaborate article imposing upon the more advanced countries duties toward backward races and nations. All these signs point to progress in regard for humanity quite as helpful as any of the tendencies of the times.

The National Spirit. Pride in military achievements and the recollection of frightful sufferings must stimulate the national spirit in every country which had part in

the victory won. To this will be added the gratification of a desire for the independence of peoples who have for a long time been under alien domination. This disposition, however, will be profoundly modified by the results of the war. There will no longer exist that admiration which was so common, for military autocracies such as that of Germany. Disturbers of peace will be sternly repressed. Preparation for possible war will not be abandoned, but the standing of nations will depend in far greater measure upon their peaceful relations with the rest of the world, their growth in trade and industry and the means employed to improve the domestic conditions of the people. It is earnestly to be hoped that the spirit of repulsion will disappear and that of cooperation will increase.

Centralization. As regards centralization there will be two opposing tendencies, one to secure the advantages which belong to larger units under one government, in which those made up of the same race, as contemplated in

the case of Serbia and adjoining countries, will seek to combine. A reorganized Poland, made up of portions of Russia, Germany and Austria, will furnish another example. An opposing tendency will be promoted by the desire for relief from alien domination and for independent national life. This will be illustrated by a dismembered Austria-Hungary and Turkey, and probably by divers sections of Russia, as in the case of the Ukraine and other Western provinces. There is every probability that in the earlier reorganization of Europe the tendency toward smaller units will be more pronounced, but at a later time the tendency toward centralization and larger units will be more prominent, because of the manifest advantages and greater prestige possessed by larger countries. Another potent force for centralization in the future will be the added emphasis placed upon the economic interdependence of various wide areas, as in Russia. Trade and social relations will both promote combinations of smaller countries. Whichever tendency may prevail, a quickened political

consciousness and the greater complexity in the operations of local governments are likely to result in an increased degree of local autonomy in the communities and subdivisions of newly created nations and some established nations as well.

Tendencies Toward Removal of Inequalities in Conditions—Socialism

An adequate treatment of existing tendencies requires consideration of powerful movements based upon prevalent ideas that glaring inequalities exist, not merely as the result of privileges or rank in more autocratic countries, but also because of the unequal possession of wealth and the means of subsistence in all. Agitations in this regard are promoted under all forms of government and in divers ways; by extreme violence, as under the present regime in Russia, which has as its essence class domination, to be secured, if necessary, by unremitting warfare; by slow and orderly

processes in the exercise of the law-making power, as in governments having liberal institutions; by negotiations between groups, as between labor unions or bodies of workmen and their employers, or by strikes; by socialistic revolutions that would abolish private property and vest in the state control of the means of production. Last of all, anarchy must be mentioned, with its fearful excesses—a revolt against settled conditions which seeks to destroy all prospects for an assured or just advancement in social conditions by its frightfulness. The principles of anarchy as promulgated by its early advocates were strikingly mild in comparison with the furious and destructive spirit of those who are now counted as believers in its maxims. A revolution was to be accomplished by peaceful methods. Its adherents proposed groups instead of governments, societies free from the restraint of law or obedience to any political authority, and maintained that social relations should rest upon voluntary agreements concluded between individuals. They argued that freedom from

submission to authority and the absence of fear of punishment would stimulate private initiative and give free play to individual development. Regarding government as an evil which imposes unnecessary restraint and tends by its regulations to create privilege and inequality, it has become the very antithesis of socialism. It abhors at the same time state capitalism under the form of socialism, and individual capitalism, as at present. The present regime in Russia cannot be classed as anarchistic because those in control demand government of the severest sort under the supremacy of the proletariat.

Legislation has already been detailed which shows the socialistic trend of more liberal governments like Great Britain, and these movements have been illustrated by governmental control during the war. It is impossible to ignore a body of opinion which is so widespread to the effect that opportunities in life are so unequal as to create injustice. We have become, it is said, a people like unto a long procession in which the strong or the fortunate are

jostling the weak and pushing them to the wall. The question arises, what will be the result of these experiments and of the prevalent agitation? Will the more or less moderate incursions into socialism which have been made be limited to efforts to equalize the opportunities of the people and to secure greater efficiency and harmony, or will they mean an upheaval and a leveling? Will more generous policies be adopted in response to the demands of a growing spirit of humanitarianism which shall merely emphasize the care and supervision which the state may exercise for the benefit of its citizens, or will there be revolutions? There is an almost infinite variety of views as to what socialism really means, and it numbers among its advocates those whose position in life is strikingly in contrast, from dwellers in poverty who have little hope of better conditions, to the so-called millionaire parlor socialists, to whom it is a pleasing cult, though sometimes superficially considered, and is not inconsistent with the very persistent retention of what possessions they themselves have. Mr. Bernard

Shaw has defined socialism as a state of society in which the income of the country shall be divided equally among the inhabitants without regard to their character, their industry, or any other consideration except the fact that they are human beings. This is probably the strongest definition that is given by any one, except, perhaps, those who favor a condition of absolute destruction. Such a rule of society would enshrine the lazy man, it would mean that the convict who has just been released from the penitentiary should be placed on the same footing with one who has sought to perform his duties to society. It is not probable that a time will come when earnestness of purpose and a natural ambition for personal adancement will not have their fair reward, because any political community would face disaster in which the majority of its citizens were not actuated by the conviction that industry and thrift are necessary qualities. No nation can fulfill its destiny except its citizens are disposed to make such utilization of their energies as to add to the material resources and the strength

of the state. The ability to devise methods for enlarged operations of the state, which serve humanity and promote equality without repression of wholesome efforts for increased efficiency, will be one of the tests of democracy in the future. The people of this country should all alike be willing to bear the burden of any rational means for the improvement of our citizenship, and for raising the general standard of manhood and womanhood, however much this may mean additional payments to the tax gatherer. Mention has already been made of taxation for a recent class of expenditure which has been adopted in many communities with effects which are certainly helpful, namely, the establishment of parks and playgrounds for larger opportunities for amusement and recreation by all classes, with a special view to aiding those in humble circumstances. The scope of such enterprises will, no doubt, include more considerate attention to methods already partially adopted, such as supervision of the health of children in schools, occasional furnishing of meals for pupils who

are indigent, public employment agencies, enlarged educational facilities, more efficient training in manual and trade schools, and pensions for widows, perhaps old age pensions as well. Other provisions will, no doubt, suggest themselves. Any burden of taxation or any sacrifice which the individual is called upon to make for his country's sake or for the advancement of humanity in a sane and rational manner, is not likely to arouse any vigorous opposition from the great mass of the American people, and it is probable that these questions will be settled more wisely and more humanely here than in some other countries. On the other hand, any policy which penalizes the commendable ambition for achievement or imposes unnecessary taxes with crushing weight upon those who toil with hand or brain and are successful, will surely be rejected with promptness and vigor by the American people. The injudicious methods of benevolence which tend to make permanent dependents of the unfortunate are especially to be shunned.

Increasing Taxes and their Utilization for the Equalization of Conditions

Will the greater burden of taxation made necessary by the larger scope of national, state and municipal activities promote the desire for the equalization of social conditions? Progressively expanding taxes which were very much in evidence prior to the war will be immensely increased by the colossal burden of public debts incurred during the recent struggle. These debts must have far-reaching effects not merely upon the economic situation but upon political and social conditions as well. National indebtedness incurred in some countries engaged in the contest has equalled, and in one or two instances possibly surpassed, one-half of the estimated total of all their wealth. The enormous expenses of war have imposed very serious handicaps upon the life of nations in the past. As an illustration of their cost it may be said that in our own country the expenses of the four years of Civil War from 1861 to

1865 were nearly twice as great as the total expenses of the Federal Government for the seventy-two years from Washington's inauguration to the year 1861. It is also likely that the cost of our participation in this struggle, including loans to our allies, will equal the total cost of federal expenditures from 1789 to 1917. These enormous debts will require not only an increase of existing levies, but new methods of taxation.

It has been the frankly avowed object of those who have framed revenue bills, not merely to raise money, but to diminish great accumulations of private wealth. It is possible that in some countries there will be levies, not merely of ordinary taxes unprecedented in amount, but upon accumulated capital as well. Not very long ago the Chancellor of the Exchequer virtually made the concession that part of the national debt of Great Britain might be paid by impositions upon the holdings of private property. Such a course has been demanded in conventions of the so-called Labor Party. Some time before this statement was made,

Premier Lloyd George declared his desire to break up the great landed estates in England.

One of the most notable tendencies in recent years has been the adoption of taxation providing progressive or increasing rates upon larger incomes and larger profits—so-called graded taxation. This method, strange as it may appear, is of comparatively recent origin. It was adopted in Italy in 1864, and in Austria in 1898. In the case of incomes the former method in English speaking countries was to impose a uniform or flat rate, irrespective of the amount. The most notable innovations on the rule of uniformity were made in several of the English colonies. The first income tax law enacted in the United States during the Civil War imposed uniform rates upon all incomes. A later Act in 1864, provided a rate of 3 per cent on amounts below $10,000, and 5 per cent above that sum. The proposed income tax of 1894, which was declared invalid by the Supreme Court, made no distinction according to amount. The Act of 1913, the beginning or basis of the present income tax law, adopted

after ratification of a constitutional amendment authorizing income taxes, as passed by the House of Representatives and as presented in the Senate by the Finance Committee of that body, made no distinction, but in the consideration on the floor of the Senate an amendment was adopted providing for gradation, and this was accepted in the bill as it became a law. The Revenue Act imposing taxes upon incomes accruing during the year 1918, fixed a so-called normal rate of 6 per cent on the first four thousand of incomes after allowing for exemptions and deductions, and one of 12 per cent on the amount of incomes in excess of that amount. To this was added a surtax rising from 1 per cent on amounts between $5,000 and $6,000, to 65 per cent on incomes exceeding one million, showing a variation in the aggregate of normal and surtaxes from 6 per cent on smaller incomes to 77 per cent on the largest. Until 1909 income tax rates in England were equally proportioned, with no difference between large and small incomes. At that time graded taxes were established and there was discrimin-

ation between incomes earned by personal service and those derived from investments.

In the Revenue Act of the United States last referred to, there is also a provision for gradation in inheritance taxes. After certain exemptions a levy is made of 1 per cent on net amounts transmitted not in excess of fifty thousand dollars, and this is gradually increased to 25 per cent on the amount by which the net estate exceeds ten millions. Graduated taxes upon the earnings of corporations in the form of so-called war profits and excess profits taxes have also been imposed. In the discussions of questions of federal taxation, levies upon the amounts of ordinary sales have been proposed, but have not been favorably considered. These would lack the element of gradation contained in income and excess profits taxes and would rest upon all with equal weight according to consumption. A so-called semi-luxury tax imposed on the sale of certain articles of luxury or of larger cost, has been vigorously opposed, and propositions have been made for its repeal. Such a tax in its general

principles is of a class similar to the graded taxes referred to.

Similar tendencies appear, though less prominently, in discriminating taxes upon land values. In Great Britain a valuation of landed property was made in the year 1910, accompanied by a provision that on the death of the owner or sale by him at a later time, twenty per cent of the increased value should go to the state. This gives to the state a part of the so-called "unearned increment." An Act in New Zealand provides that all owners of agricultural land worth more than forty thousand pounds must pay a supertax of twenty-five per cent. There is also a provision in the latter country for increased taxation upon an owner who continues to be absent beyond a certain limited time. The agitation for the so-called single tax imposing all the public burdens upon land values, also has a very considerable number of advocates.

In this connection it may be stated that there is much confusion created by cumulative taxes on incomes and inheritances levied at the same

time by states as well as by the federal government. There are strong arguments for a dividing line between state and national taxation which would leave income and excess profits taxes to the federal government and give to the state the exclusive right to impose taxes upon inheritances. To this division, however, there is one practical obstacle in that the states have adopted an infinite variety of inheritance taxes.

The effect upon industry as well as upon social conditions, of the methods of taxation adopted to provide greatly increased revenues, is sure to arouse extended discussion in the future. It has been vigorously maintained that the present income taxes, joined with war and excess profit taxes, create a serious handicap upon industry. It is argued that for the most satisfactory development of the country it is requisite that there be an expectation of large rewards in business ventures and that new enterprises which would be useful to the people are discouraged by existing laws. It is said that, if in any investment large profits are

promised there is naturally a commensurately greater risk, and should the government in the exercise of the taxing power take an unusual share of the earnings obtained in the most profitable undertakings, the initiative and energy which promote prosperity will be discouraged. This question of affording encouragement for large profits raises an issue which is fundamental in its nature, that is, whether it is altogether wholesome for a people to engage in so many enterprises of a speculative nature, or foster the absorbing desire for unlimited accumulations which is quickened rather than repressed by every success in money making. Would not the spirit of sharp competition which is sometimes so hurtful, be diminished with diminishing chances for profit and other qualities be developed quite as valuable to the people as the unsurpassed material development which has been so prominent in the past?

It should be distinctly understood that the large taxes imposed upon incomes and profits which reach high figures are not exclusively

borne in the last analysis by those who pay them. The principle of the diffusion of the burden of taxation among all consumers was accepted by some economists of prominence as an axiom. As a statement of a general fact, this is only partly correct, but clearly if the returns upon investments of the creditor or the landowner are heavily taxed, rates of interest to the creditor and of rent to the tenant are naturally raised and the burden imposed upon industry is passed on to the consumer. It is needless to say that these greatly increased taxes are and will continue to be a prominent factor in the high cost of living.

There is no prospect of the abandonment of heavy rates of taxation or of the principle of gradation. The demands for a larger national life and for enlarged facilities and conveniences, as in the development of cities and the making of so-called good roads, will necessitate a continuance of burdensome levies after the amounts required for the payment of the interest and principal of government debts shall have been substantially diminished.

The Result of War Upon Political Tendencies in the United States

It is perfectly evident that the late contest will exert an exceptional influence upon political and social movements in the United States. This will apply to affairs both international and domestic.

The peculiar isolation which has been a distinctive feature of our national life from the beginning, has disappeared. It is indeed true, that the period of exclusiveness is past, and this applies not merely to trade relations but to political relations also. Whatever happens in the remotest part of the globe is now of the most substantial interest to us. Prior to the war the absence of any threat of invasion and our detachment from the rivalries of nations of the old world has kept us out of their alliances and controversies. It is to be hoped that this situation will not be entirely changed, but a new condition was created by our participation in the war, and a realization that op-

posing ideas of autocracy and democracy must have a vital effect upon our own policies and that we must share in their settlement. There will be a constant appreciation of the larger part which America must take in the affairs of the world.

In domestic affairs it is impossible to overlook the awakening of the whole population, the effects of which cannot be swallowed up by the force of established ideas and methods existing prior to 1914. Certain essentials not to be shaken must remain, but we shall abandon many cherished ideas of the past. There will be a far wider outlook and greater readiness to grapple with new problems and settle them according to the changed conditions which have arisen. The duties of classes to each other, and the claims of humanity have a new meaning. The influence of the returning soldiers and sailors will have a marked effect upon political conditions. The number mustered into service, about half of whom went over seas, exceeds four millions. Already organizations are forming to perpetuate their influ-

ence. The general effect of these organizations will be in the direction of equality and a more democratic spirit, at least if we can judge from manifestations already in evidence. The ever perplexing problem of the relations between capital and labor, between employer and employee, has assumed increased importance. Those on the two sides have often seemed to be gathered in antagonistic camps. While numerous civic organizations have been formed and meetings have been held in which there have been loud protestations of a common interest and of a desire to act in cooperation, nevertheless, the essential difficulties of the problem have been very generally overlooked. These difficulties are intense individualism manifested by both and a desire for personal advancement in which the rights of each have been only partially recognized by the other. No altruistic spirit can be expected to be the controlling factor, but there is first a necessity for a more intelligent understanding of facts. What are the increases in wages which are justified by the added cost of living?

What larger share of the product should belong to labor? How can provision be made for seasons in which enterprises are conducted unprofitably or at a loss? To this should be added a greater degree of fairness and regard for each other in which it is necessary that a common interest should have paramount consideration. Fundamental economic facts must obtain recognition. It must be understood that the chief factor in the wages of labor is the volume and quality of production, that any movement or plan for limiting product must be injurious rather than helpful, and that special privileges or wages on an exceptional scale for any particular group of laborers must in the long run diminish the opportunities of the rest. On the other hand, there is necessity for an awakening among employers to the fact that those in their employ have aspirations as well as rights, quite as important as their own, that their very living depends upon the prosecution of the enterprises in which they are employed, and that an exclusion of workmen from the tasks in which they are engaged means

much more to them than it does to the employer. There is every indication that the favored position of labor which has been made an established policy in this country can be more readily continued in the future. The more pressing burden of taxation in many other countries, the diminished number of workers available in Europe, the destruction of plant and equipment over wide areas, will all tend to increase labor costs there, and thus render substantially easier the maintenance of high wages in the United States.

The International Outlook

In international relations, a question which presents itself at the very outset is whether imperialistic ambitions for expansion of territory will cease. It is hardly probable that they will, but the opportunity for their gratification will, no doubt, be very much diminished. Four imperialistic governments of autocratic form have been overthrown, those of Russia, Ger-

many, Austria-Hungary and Turkey. It would seem to be impossible that even the reaction which manifests itself after extremes of popular control and the excesses which sometimes attend them, could be sufficient to restore dynasties similar to those which existed in these countries prior to the war. There is an effort for a League of Nations, the aim of which is to secure the peace of the world and cooperation among nations. It is to be hoped that this may succeed, however imperfect it may be in its original form. It is most desirable that steps be taken now to secure such results when the recollections of suffering and destruction are so vivid. It will be necessary for every country to abate in some degree its claims for sovereignty and independence, as common good and friendly relations are objects more valuable than the assertion of ambitious national aims. Every step which looks in this direction should awaken special interest in the people of the United States, because this country has by presidents and Acts of Congress repeatedly asserted our desire for a peaceful set-

tlement of controversies betwen nations, and we must occupy in the future a position of influence in securing such aims far surpassing that of the past.

There is one result which would seem to be definitely assured by the war, and that is the denial of the supremacy of might in the relations between nations and a new respect for smaller countries. So long ago as the year 1825, Chief Justice Marshall said in a decision, "No principle of general law is more universally acknowledged than the perfect equality of nations. Russia and Geneva have equal rights." This may be regarded as a principle in our diplomacy maintained from the beginning. Not only is there an almost universal demand for a rule of justice and order, but the recollection of the frightful suffering of smaller countries like Belgium, Serbia and Poland, has left a lasting impression. No one will hereafter assert, as did Treitschke, perhaps the most influential leader of thought in Germany, that the country which relies upon justice places itself in a ridiculous position.

One of the most radical phases of amelioration which the future promises is a revolutionary change in the position of the less civilized or backward peoples. From time immemorial these have been the prey of the stronger, and contemporaneously with wars which have arisen because of disagreements due to close contact there have been almost constant quarrels between the more advanced nations over the acquisition of colonies in the outlying portions of the earth. The desire to avoid the recurrence of friction arising from these controversies led to a partial rapprochement among the leading powers of Europe within the last century, under which they sought to divide regions in Africa and Asia by amicable adjustment by which each country was to receive its share of the spoil. At one time Russia seemed likely to subject to its dominion a large share of Asia, in the acquisition of which that country had a marked advantage because of contiguity. These colonies originally were exploited exclusively for the benefit of their owners with very slight regard for the welfare of their inhabitants. A change

in the policy was first initiated by England under which special attention was given to the local interests and rights of her subject possessions, and beginning with Canada local autonomy was granted to several countries extending even to the matter of tariffs.

Now the old order is passing. The term dominions is beginning to be substituted for that of colonies in the British Empire, and some of them are to be separately represented in the proposed League of Nations. Further exploitation has been checked. Under the terms of the Treaty of Paris oppressed and neglected peoples are to receive the fostering care of the more civilized nations. The influence of this change upon their development can hardly be exaggerated. It means a new order which promises the gradual disappearance of the striking inequalities between the different divisions of the human race. The effects of changed relations are sure to extend as well to countries occupying an intermediate position between those of the highest and lowest civilizations.

For assured results the development of International Law and its universal application are essential, also its enforcement by a Court established to decide such controversies as may arise. It will be necessary that the opinions of jurists and the provisions of various treaties be codified and such additions made as required to meet the demands of a new era. This is no chimerical fancy, but is responsive to the aspirations which have been created by the war.

In conclusion it must be said that it is not easy to forecast the comparative development of numerous tendencies which will assume especial prominence in the future. Much will depend on the terms of peace agreed upon at Paris, and the adoption or rejection of the proposed plan for a League of Nations. It is, however, certain that radical changes will be accomplished which would have been impossible before.

There are no reasons for pessimism. There are transcendent possibilities in the newly aroused conceptions of an awakened and suffering world. It is especially a time when no

restricted outlook or narrow vision will answer. It will be necessary to grasp world problems. The word future has a greater significance than ever. Political tendencies may seem to move in wrong directions, and experiments will be tried which experience will show must be abandoned. Nevertheless, there is ground for the strongest assurance that though peoples may sometimes go astray they will ultimately be right. Thus, notwithstanding the clash of ideas and interests which seem to threaten the stability of states and the maintenance of order and peace, we may yet have added faith in the years to come, and an inspiring confidence in human destiny.

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